



HOUSE BUDGET COMMITTEE

Democratic Caucus

U.S. Rep. John Spratt (D-SC) # Ranking Member

News Release

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Statement of Rep. John Spratt on the President's FY03 Budget

"When it comes to waging war on terrorism, the President has our total support. We are united, determined to win, and unstinting about bearing any necessary cost.

"But national security and homeland security need not come at the expense of Social Security. We can pursue terrorists and still pursue other priorities. Largely for reasons unrelated to the war, the President's budget reverses a decade of fiscal progress, and takes the country back down a perilous path of unending deficits. From 2002 through 2012, on-budget surpluses are converted into on-budget deficits, and the Social Security and Medicare trust funds are raided with abandon.

"In less than a year, a surplus of \$5.6 trillion shrank by \$4 trillion, and the primary cause for the shrinkage was due to those parts of the President's budget legislated last year. The President's requests for 2003 could easily wipe out the rest.

"The budget for 2003 seeks more than \$2 trillion in spending and sounds many themes, but it contains no sense that major miscalculations were made in last year's budget that need to be corrected in this year's budget. Yet for the balance of the President's term of office, the government will have to draw on the Social Security Trust Fund surplus to finance day-to-day operations of the federal government. If the President serves a second term, he will leave office in 2008, the year the baby boomers begin to retire, and based upon this budget, he will leave nothing in place to ensure the solvency of their Social Security benefits.

"As a result of this run-up in deficits and debt, the federal government's net interest costs over the next ten years will be \$1 trillion higher than forecast just a year ago.

"There will be parts of this budget that we support. We understand the need for temporary deficits in time of war and recession. But on the whole, this budget does not plot a course away from temporary deficits. It is a set-back, and a sore disappointment, especially for those who served in the 1980s and struggled to put the budget in balance, and then served on into the 1990s, and saw our budget plans bear fruit – a better bottom line every year for eight straight years. We will work with the President on those areas where we agree, particularly in making our homeland secure and waging war on terrorism. But we will oppose him in other areas, and try to build back into this budget a strategy for the budget to recover as the economy recovers."

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